

Cintas Corporation
Consolidated Condensed Statements of Cash Flows
(In thousands)

	Twelve Months Ended	
	May 31, 2018	May 31, 2017
<u>Cash flows from operating activities:</u>		
Net income	\$ 842,586	\$ 480,708
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	215,476	171,565
Amortization of intangible assets	63,940	25,030
Stock-based compensation	112,835	88,868
Gain on sale of business	(96,400)	-
Gain on Storage	-	(1,460)
Gain on Shred-it	-	(25,457)
Asset impairment charge	-	23,331
G&K Services, Inc. transaction and integration expenses	-	31,445
Short-term debt financing fees included in net income	-	17,062
Settlement of interest rate hedge	-	30,194
Deferred income taxes	(119,295)	3,902
Change in current assets and liabilities, net of acquisitions of businesses:		
Accounts receivable, net	(66,267)	(93,557)
Inventories, net	(3,323)	(668)
Uniforms and other rental items in service	(64,299)	(8,732)
Prepaid expenses and other current assets	(15,526)	24,201
Accounts payable	35,275	13,726
Accrued compensation and related liabilities	(9,392)	13,654
Accrued liabilities and other	42,468	(501)
Income taxes, current	26,082	(29,424)
Net cash provided by operating activities	964,160	763,887
<u>Cash flows from investing activities:</u>		
Capital expenditures	(271,699)	(273,317)
Proceeds from redemption of marketable securities and investments	179,857	218,324
Purchase of marketable securities and investments	(153,708)	(181,065)
Proceeds from sale of business	127,835	-
Proceeds from Storage transactions	-	2,400
Proceeds from Shred-it transaction	-	25,876
Acquisitions of businesses, net of cash acquired	(19,346)	(2,102,371)
Other, net	1,363	(196)
Net cash used in investing activities	(135,698)	(2,310,349)
<u>Cash flows from financing activities:</u>		
(Payments) issuance of commercial paper, net	(50,500)	50,500
Proceeds from issuance of debt, net	-	1,932,229
Repayment of debt	(550,000)	(250,000)
Prepaid short-term debt financing fees	-	(17,062)
Proceeds from exercise of stock-based compensation awards	41,848	31,870
Dividends paid	(175,589)	(142,433)
Repurchase of common stock	(127,319)	(20,724)
Other, net	(2,580)	(5,878)
Net cash (used in) provided by financing activities	(864,140)	1,578,502
Effect of exchange rate changes on cash and cash equivalents	5,136	(2,131)
Net (decrease) increase in cash and cash equivalents	(30,542)	29,909
Cash and cash equivalents at beginning of year	169,266	139,357
Cash and cash equivalents at end of year	<u>\$ 138,724</u>	<u>\$ 169,266</u>